NEWFOUNDLAND LIQUOR
LICENSING BOARD

THE
SEVENTEENTH ANNUAL REPORT
OF THE
NEWFOUNDLAND LIQUOR LICENSING
BOARD
APRIL 1, 1989 — MARCH 31, 1990

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91-07115/

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CHAIRMAN'S REPORT

September 1, 1990

Honourable Hubert W. Kitchen
Minister of Finance
Department of Finance
Confederation Building
P.O. Box 8700
St. John's, NF
A1B 4J6

Dear Sir:

I am pleased to provide you with the Annual Report of the Newfoundland Liquor Licensing Board for the year ending March 31, 1990.

GENERAL REMARKS

The Newfoundland Liquor Licensing Board continues to regulate and control the distribution of alcoholic beverages within the province as required by the **Liquor Control Act, 1973, and Regulations 1974**, and all other matters relating to the control of alcoholic liquor products.

The Board is continuing its liaison with other government departments and agencies with a view to improve the delivery of its programs. A close working relationship has been established with enforcement agencies, whereby prompt attention is given to any situation observed that may develop into a serious problem.

Similar liaisons have been developed with the fire department, the Fire Commissioner's Office and health authorities, whereby co-ordinated inspections have ensured success in rectifying unsatisfactory conditions within licensed premises.

During the year, the Board has worked closely with the Royal Canadian Mounted Police to decrease the quantity of liquor product being smuggled into the Province from St. Pierre and Miquelon. This effort produced results in late 1989 when there were a significant number of arrests of suspected smugglers on the South Coast of Newfoundland. Several initiatives are under consideration that will decrease the quantity of smuggled liquor being brought into the Province.

The Board is responsible for the following:

1. Bonded Warehouse — 5
2. Brewer's Agent — 1,504
3. Brewer's Distributor — 55
4. Brewer's Retail — 4
5. Catering Licence — 80
6. Identification Cards — 3,179
7. Licensed Establishments — 1,209
8. Special Events Licenses — 1,222
9. Transportation Services — 10
10. Waiter's Licenses — 9,303

MANAGEMENT

The Management of the Newfoundland Liquor Licensing Board is responsible for all information including the financial statements contained in this report. The financial statements were

prepared in accordance with accounting principles as disclosed in the notes and included estimates based upon judgment and experience.

The financial statements have been reviewed by the Auditor General of the Province who reports independently to the Minister and to the Board. He is responsible for assessing financial and management control and the information systems at the Board. As well, he also considers whether the transactions which come to his attention in the course of his examination are in accordance with **The Liquor Control Act, 1973, and amendments.**

ACKNOWLEDGEMENTS

I would like to thank you, the Board Members, and staff for the support and assistance I have received during the year. It has been a most interesting and successful year. In addition, I wish to acknowledge with gratitude, on behalf of the Board, the co-operation and assistance given by other government departments, the Royal Canadian Mounted Police, the Royal Newfoundland Constabulary, and other authorities which regularly deal with this Board.

Sincerely yours,

E. White
Chairman

DEPARTMENT OF THE AUDITOR GENERAL
St. John's, Newfoundland

AUDITOR'S REPORT

To the Chairman and Members
The Newfoundland Liquor Licensing Board
St. John's, Newfoundland

I have examined the balance sheet of The Newfoundland Liquor Licensing Board as at 31 March 1990 and the statement of revenue, expenditure and surplus for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Board as at 31 March 1990 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

C.R. Hart, C.A.
Auditor General (Acting)

St. John's, Newfoundland
25 September 1990

STATEMENT 1

THE NEWFOUNDLAND LIQUOR LICENSING BOARD

BALANCE SHEET

31 MARCH 1990

	1990	1989
ASSETS		
Cash	$ 95,037	$ 9,896
Accounts receivable — imprests and other	8,585	10,492
Prepaid expenses	2,475	2,943
Due from Province of Newfoundland	—	42,688
	$106,097	$66,019
LIABILITIES AND SURPLUS		
Accounts payable and accrued liabilities	$ 30,567	$ 9,836
Due to Province of Newfoundland	563	—
Surplus	74,967	56,183
	$106,097	$66,019

See accompanying notes

Signed on behalf of the Board

Chairman

Member

STATEMENT 2

THE NEWFOUNDLAND LIQUOR LICENSING BOARD

STATEMENT OF REVENUE, EXPENDITURE AND SURPLUS

FOR THE YEAR ENDED 31 MARCH 1990

	1990	1989
Revenue		
Operating grant - Province of Newfoundland	$1,356,459	$1,337,218
Expenditure		
Directors' fees and expenses	16,239	13,944
Dues and subscriptions	1,497	1,762
Equipment rentals, repairs and maintenance	20,020	31,335
Insurance	3,031	2,395
Professional fees	29,319	2,767
Miscellaneous	1,073	1,620
Office furniture and equipment	11,621	102,782
Postage, telephone and telegraph	55,767	55,426
Salaries and employee benefits	1,001,214	964,454
Stationery and office supplies	37,841	32,887
Travel and entertainment	105,080	105,932
Computer expense	47,500	47,222
Staff training	4,730	—
Worker's Compensation premiums	2,743	2,084
Total expenditure	1,337,675	1,364,610
Surplus (deficit) for the year	18,784	(27,392)
Surplus, beginning of year	56,183	83,575
Surplus, end of year	$ 74,967	$ 56,183

See accompanying notes

SCHEDULE 1

THE NEWFOUNDLAND LIQUOR LICENSING BOARD

DUE TO (FROM) PROVINCE OF NEWFOUNDLAND

FOR THE YEAR ENDED 31 MARCH 1990

	1990	1989
Collection of license fees, fines and forfeitures	$2,413,006	$1,892,643
Less: Payments to Province	2,375,000	1,890,000
	38,006	2,643
Add: Operating grant receivable (payable)	5,245	(21,500)
Due from Province, beginning of year	(42,688)	(23,831)
Due to (from) Province, end of year	$ 563	$ (42,688)

THE NEWFOUNDLAND LIQUOR LICENSING BOARD

NOTES TO FINANCIAL STATEMENTS

31 MARCH 1990

1. The Newfoundland Liquor Licensing Board was established under Section 5.-(1) of The Liquor Control Act, 1973 and has the power to carry into effect the provisions of this Act.

2. Accounting policies

   (a) The Board follows a policy of expensing assets to operations in the year of acquisition. The total of the fixed assets acquired by the Board to 31 March 1990 is $302,827 (1989 - $243,706).

   (b) Accounts for license fees, fines and forfeitures are maintained on a cash basis. Any subsequent adjustment to license fees are recorded in the year the funds are actually received. All amounts collected are transferred to the Province of Newfoundland.

   (c) The operations of the Board are financed by grants from the Province of Newfoundland. Rental payments for office accommodations are made directly by the Province on behalf of the Board and are not recorded in the accounts of the Board.

   (d) Payments in respect of leased equipment are charged to current expenditure. The Board has lease commitments in aggregate of $5,507 extending over the next two years as follows: 1991 - $5,243; 1992 - $264.

ADMINISTRATIVE STRUCTURE OF THE NEWFOUNDLAND LIQUOR LICENSING BOARD AS AT MARCH 31, 1990

BOARD MEMBERS:	Edward White, Chairman Douglas Chafe, Member Walter Downey, Member Francis Lalonde, Member Anne Picco, Member
RECORDING SECRETARY AND SECRETARY TO THE CHAIRMAN:	Lillian Rose
LEGAL COUNSEL TO THE BOARD:	Robert Stack

LICENSING, PUBLIC RELATIONS & POLICY DEVELOPMENT DIVISION:

DIRECTOR OF LICENSING PUBLIC RELATIONS & POLICY DEVELOPMENT (Acting):	Paula Smyth
COMPUTER OPERATOR I:	Joanne Grace
CLERK-TYPIST II (TEMPORARY)	Margaret McEvor
CLERK-TYPIST II (TEMPORARY):	Paulette Tarrant

INSPECTION SERVICES DIVISION:

DIRECTOR OF INSPECTION SERVICES:	Eugene Healey
SECRETARY TO DIRECTOR OF INSPECTION SERVICES:	Joan Moyse
REGIONAL FIELD SUPERVISORS: (Eastern) (Central) (Western)	Vacant Sidney Brett Maxwell White

INSPECTORS:

ST. JOHN'S, AVALON AREA, CONCEPTION BAY, TRINITY SOUTH AND LABRADOR:	Patrick Crawley Alfred Crews Hubert Hibbs Gerard Maher George Pardy Vacant
TRINITY NORTH, BONAVISTA SOUTH, BURIN PENINSULA:	Thomas Mills
BONAVISTA NORTH AND TERRA NOVA:	Wayne Perry

LEWISPORTE AND GANDER:	John Haliburton
WEST COAST:	Peter Moriarty
GREAT NORTHERN PENINSULA:	Fraser McDonald
FINANCE AND ADMINISTRATION DIVISION:	
DIRECTOR OF FINANCE AND ADMINISTRATION:	Rick Hayward
SECRETARY TO DIRECTOR OF FINANCE AND ADMINISTRATION:	Patricia Pittman
ADMINISTRATIVE OFFICER:	Muriel Taylor
REGISTRAR:	Beverly Grant
RECEPTIONIST/STATISTICS CLERK:	Karey Vokey
DATA ENTRY OPERATOR:	Madonna McGrath
CLERK TYPIST II: (Temporary)	Patricia Kinsella
SYSTEMS ANALYST:	Maurice Sheppard
CO-OPERATIVE STUDENT:	Stephen Cleary

FEE STRUCTURE

The following fees are applicable for licenses issued under **The Liquor Control Act, 1973, and Regulations:**

1. (i) A Basic Licence Fee of $200.00 for the following classes of licenses:

Lounge
Restaurant
Tavern
Club
Hotel
Motel
Tourist Home
Military Mess
Airport Establishment
Institution

and

(ii) a graduated fee based on the previous calendar year's purchases of alcoholic beverages of $150.00 for each $5,000.00 of purchases or fraction thereof.

II. Other Fees

Catering Licence	$ 100.00
Transportation Services Licence	1,000.00
Brewer's Agent Licence	100.00
Brewer's Retail Licence	200.00
Brewer's Distributor Licence	200.00
Bonded Warehouse Licence	200.00
Waiter's Licence	15.00
Special Events Licence	100.00
Identification Card	15.00
Inspection Fee	75.00
Transfer of Existing Licence	200.00

STATISTICAL REVIEW OF BOARD ACTIVITIES, BOARD MEETINGS AND BUSINESS TRANSACTED

The Newfoundland Liquor Licensing Board held a total of nine (9) Regular Meetings and one (1) Extraordinary Meeting during the Fiscal Year of April 1, 1989 to March 31, 1990. A complete statistical review of business transacted is given in the following tables:

Table I:

Breakdown of Licenses — Issued, Suspended, Relinquished, and Cancelled

Table II:

Summary of all new applications processed in 1989-90.

BUSINESS TRANSACTED: April 1, 1989 to March 31, 1990

TABLE I — Breakdown of Licenses - Issued, Suspended, Relinquished and Cancelled

LICENCE CATEGORY	(1) Licenses in Force at close of previous year (March 31, 1989)	(2) Licenses Renewed	(3) New Licenses Issued	(4) Total Licenses Issued 1989-90 (2) + (3)	(5) Licenses Suspended or Cancelled	(6) Licenses Relinquished	(7) Licenses Reinstated	(8) Total Licenses in force at end of year (March 31, 1990)
Lounge	533	482	69	551	27	12	23	535
Tavern	1	1	—	1	—	—	—	1
Club	281	278	16	294	—	6	—	288
Institution	4	4	1	5	—	—	—	5
Military Mess	20	19	—	19	—	1	—	18
Restaurant	236	218	39	257	3	16	2	240
Hotel/Motel/Tourist Home	110	107	14	121	1	2	1	119
Airport Establishment	3	3	—	3	—	—	—	3
Liquor Establishment Licences Sub-Total	**1,188**	**1,112**	**139**	**1,251**	**31**	**37**	**26**	**1,209**
Brewer's Agent	1,587	1,430	201	1,631	4	123	—	1,504
Brewer's Distributor	69	68	2	70	—	15	—	55
Brewer's Retail	4	4	—	4	—	—	—	4
Brewer's Outlet Licenses Sub-Total	**1,660**	**1,502**	**203**	**1,705**	**4**	**138**	**—**	**1,563**
Transportation Services	9	9	1	10	—	—	—	10
Bonded Warehouse	4	4	1	5	—	—	—	5
Catering	79	77	5	82	1	2	1	80
Waiter's Licenses	10,492	—	9,303	9,303	—	—	—	9,303*
TOTAL	**13,432**	**2,704**	**9,652**	**12,356**	**36**	**177**	**27**	**12,170**

***Because the Board does not keep statistics on renewals for Waiter's Licenses, all new and renewed Waiter's Licenses have been categorized as new licenses issued.**

BUSINESS TRANSACTED: April 1, 1989 to March 31, 1990
TABLE II — Summary of all Applications Processed 1989-90

The following is a breakdown of Applications considered by the Newfoundland Liquor licensing Board during the year under review

	(1) Applications Processed	(2) Rejected	(3) Deferred	(4) Transfer of Ownership	(5) *Provisional Approvals	(6) *New Licences Issued
CLASSIFICATION						
Lounge	84	3	12	40	29	69
Tavern	—	—	—	—	—	—
Club	22	2	3	—	17	16
Institution	1	—	—	—	1	1
Military Mess	—	—	—	—	—	—
Restaurant	35	—	3	6	32	39
Hotel/Motel/Tourist Home	11	1	—	5	10	14
Airport Establishment	—	—	—	—	—	—
Brewer's Agent	274	18	18	—	211	201
Brewer's Distributor	1	—	—	—	1	2
Brewer's Retail	—	—	—	—	—	—
Transportation Services	1	—	—	—	1	1
Bonded Warehouse	1	—	—	—	1	1
Catering	5	—	—	—	5	5
Sunday Opening	25	—	2	—	23	23
Waiter's Licenses	9,304	1	—	—	9,303	9,303
Special Events Licenses	1,229	7	—	—	1,222	1,222
Identification Cards	3,179	—	—	—	3,179	3,179
TOTAL	**14,172**	**32**	**38**	**51**	**14,035**	**14,076**

*The variance between provisional approvals given during the current year and new licenses issued is due either to; (i) the inability of the applicant to proceed as planned; (ii) the establishment was not completed in time for licensing during the year under review; or (iii) applicants approved during the previous year did not receive their licence until the year under review.